



STATE OF CALIFORNIA

GRAY DAVIS, Governor

VICTIM COMPENSATION AND GOVERNMENT CLAIMS BOARD

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Senior Advisor to the Governor,
Governor's Office
And Board Member

KELLY J. BRODIE
Executive Officer

January 16, 2003

Dear Medical Provider:

At its meeting on January 10, 2003, the Victim Compensation and Government Claims Board (Board) adopted a variety of measures to address the fiscal challenge facing the Victim Compensation Program (Program). This letter explains two of the measures that will most likely have an immediate impact on you.

Currently, all medical bills are reimbursed at Medicare rates. On January 10, 2003, the Board adopted an additional 20 percent reduction to the Medicare rate. This new rate will apply to all eligible medical bills that are associated with new victim applications and for medical services provided on or after January 10, 2003. As the condition of the Restitution Fund improves, we will review the percentage deducted from the Medicare rate.

The Program faces a shortage of funds and will soon be unable to pay all those who have requested reimbursement. The Board directed that payments be prioritized to ensure that contractual responsibilities are met and to minimize the impact on crime victims. The first priority will be payments to keep the Program functioning, including payroll and operating expenses. The second priority will be payments to victims and derivative victims, and the third will be payments to providers. As of January 17, 2003, we will begin holding provider payments

The Program will continue to approve eligible payments. When funds are not available, we will notify you of the amount of the delayed payment. We will issue State warrants as soon as our financial condition permits. At the latest, this will be when federal grant funds are received, which is anticipated in May 2003.

We regret the inconvenience caused by this necessary measure. We share a common goal: to aid the recovery of those who have been victimized. The Program can only accomplish this goal with dedicated providers like you who provide crucial services. We will overcome this current fiscal challenge. Your continued support of those who have been victimized is genuinely appreciated.

Should you have any questions, please contact us at info@voc.ca.gov or 1-800-777-9229.

Sincerely,

KELLY BRODIE
Executive Officer